
By: **Senator Della**

Introduced and read first time: February 2, 2001

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Property Tax - Disabled Veterans - Refunds**

3 FOR the purpose of requiring the governing body of a county or municipal corporation
4 to issue a refund to a disabled veteran for the taxable years in which an
5 exemption was authorized but not granted for any county and municipal
6 corporation property tax paid; authorizing the governing body of a county to
7 issue a refund to a certain surviving spouse of a disabled veteran for the taxable
8 years in which an exemption was authorized but not granted for any county
9 property tax paid, under certain circumstances; and generally relating to
10 requiring the governing body of a county or a municipal corporation to issue a
11 refund to a disabled veteran for the taxable years in which an exemption was
12 authorized but not granted.

13 BY repealing and reenacting, with amendments,
14 Article - Tax - Property
15 Section 7-208
16 Annotated Code of Maryland
17 (1994 Replacement Volume and 2000 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
19 MARYLAND, That the Laws of Maryland read as follows:

20 **Article - Tax - Property**

21 7-208.

22 (a) (1) In this section the following words have the meanings indicated.

23 (2) "Disabled veteran" means an individual who:

24 (i) is honorably discharged or released under honorable
25 circumstances from active service in any branch of the armed forces; and

26 (ii) has been declared by the Veterans' Administration to have a
27 permanent 100% service connected disability that results from blindness or other
28 disabling cause that:

- 1 is reasonably certain to continue for the life of the veteran;
2 and
- 3 2. was not caused or incurred by misconduct of the veteran.
- 4 (3) "Dwelling house":
- 5 (i) means real property that is:
- 6 1. the legal residence of a disabled veteran or a surviving
7 spouse; and
- 8 2. occupied by not more than 2 families; and
- 9 (ii) includes the lot or curtilage and structures necessary to use the
10 real property as a residence.
- 11 (4) "Surviving spouse" means the surviving spouse of a disabled veteran
12 if the surviving spouse has not remarried.
- 13 (b) Except as provided in subsection (e) of this section, a dwelling house is
14 exempt from property tax if:
- 15 (1) the dwelling house is owned by:
- 16 (i) a disabled veteran; or
- 17 (ii) a surviving spouse who meets the requirements of subsection (c)
18 of this section; and
- 19 (2) the application requirements of subsection (d) of this section are met.
- 20 (c) Except as provided in subsections (d) and (e) of this section, after a
21 disabled veteran dies, the surviving spouse shall receive a disabled veteran's property
22 tax exemption:
- 23 (1) for the dwelling house that was formerly owned by the disabled
24 veteran:
- 25 (i) if the dwelling house received an exemption under this section;
26 and
- 27 (ii) if the surviving spouse owns and resides in the dwelling house;
- 28 (2) for the dwelling house that was formerly occupied by the disabled
29 veteran:
- 30 (i) if the dwelling house did not receive an exemption under this
31 section;
- 32 (ii) if the disabled veteran was domiciled in the State at death; and

1 (iii) if the surviving spouse owns and resides in the dwelling house;
2 and

3 (3) for a dwelling house subsequently acquired by the surviving spouse,
4 equal to the exemption for the former dwelling house when the dwelling house owned
5 by the surviving spouse was transferred by the surviving spouse:

6 (i) if the surviving spouse owns and resides in the subsequently
7 acquired dwelling house; and

8 (ii) if the surviving spouse has qualified under item (1) or (2) of this
9 subsection.

10 (d) (1) A disabled veteran or a surviving spouse shall apply for an exemption
11 under this section by providing to the supervisor:

12 (i) a copy of the disabled veteran's discharge certificate from active
13 service in the armed forces; and

14 (ii) on the form provided by the Department, a certification of the
15 disabled veteran's disability from the Veterans' Administration.

16 (2) The disabled veteran's certificate of disability may not be inspected
17 by individuals other than:

18 (i) the disabled veteran; or

19 (ii) appropriate employees of the State, a county, or a municipal
20 corporation.

21 (e) (1) Except as provided in paragraph (2) of this subsection, an exemption
22 under this section shall be granted in addition to any other exemption authorized by
23 law.

24 (2) An individual may receive an exemption under this section or under
25 § 7-207 of this subtitle but not under both.

26 (f) An exemption under this section is prorated by the supervisor for any part
27 of a taxable year that remains after the date in the year when the disabled veteran or
28 the surviving spouse applies for the exemption.

29 (g) (1) [In] FOR the taxable years in which an exemption under this section
30 was authorized but not granted, the governing body of a county or a municipal
31 corporation [may authorize, by law, a] SHALL refund to [an individual described
32 below] A DISABLED VETERAN who receives an exemption under this [section:]
33 SECTION ANY COUNTY AND MUNICIPAL CORPORATION PROPERTY TAX PAID.

34 [(i) to a disabled veteran or a surviving spouse for any county
35 property tax paid; or

1 (ii) to a disabled veteran for any municipal corporation property tax
2 paid.]

3 (2) (I) FOR THE TAXABLE YEARS IN WHICH AN EXEMPTION UNDER
4 THIS SECTION WAS AUTHORIZED BUT NOT GRANTED, THE GOVERNING BODY OF A
5 COUNTY MAY AUTHORIZE, BY LAW, A REFUND TO A SURVIVING SPOUSE WHO
6 RECEIVES AN EXEMPTION UNDER THIS SECTION FOR ANY COUNTY PROPERTY TAX
7 PAID.

8 (II) A surviving spouse may apply for a refund of county property
9 tax paid on the dwelling house while the exemption was available, only if the
10 surviving spouse applies for the exemption during the 3-year period beginning with
11 the calendar year in which the surviving spouse initially became eligible for an
12 exemption under this section.

13 (h) (1) For the purposes of subsections (f) and (g) of this section, a county or
14 municipal corporation shall pay to a disabled veteran or surviving spouse interest on
15 the amount of a refund if:

16 (i) the governing body has authorized the refund;

17 (ii) the disabled veteran or surviving spouse is eligible and has
18 applied for the refund; and

19 (iii) the county or municipal corporation fails to make the refund
20 within 60 days after the eligible disabled veteran or surviving spouse has applied for
21 the refund.

22 (2) If interest is payable under this subsection:

23 (i) the county or municipal corporation shall pay interest at the
24 rate the county or municipal corporation charges on overdue taxes; and

25 (ii) interest shall accrue from the date the application is filed with
26 the county or municipal corporation.

27 (i) Each county shall include information on the property tax bill about the
28 availability of the property tax exemption for disabled veterans authorized under this
29 section.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
31 July 1, 2001.